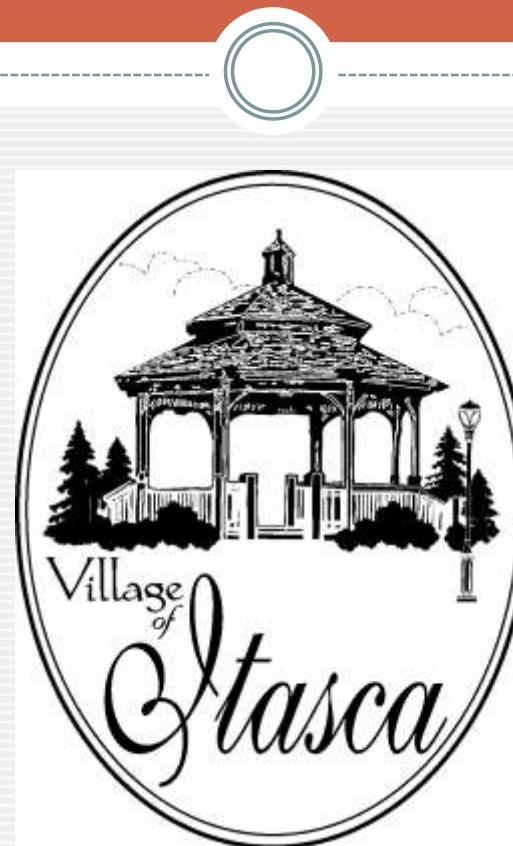


# Fiscal Year 2018-2019 Budget Presentation



APRIL 17, 2018



# 2018/19 Budget Process



✓ Overview the proposed budget for:

- ✓ Budget Process
- ✓ Revenue Highlights
- ✓ Global Expenditures
- ✓ General Fund
- ✓ Capital Projects Fund
- ✓ Motor Fuel Tax Fund
- ✓ Hotel Tax Fund
- ✓ Water and Sewer Fund
- ✓ Water and Sewer Capital Fund
- ✓ Future Schedule
- ✓ Questions



# 2018/19 Budget Process



- ✓ Departments submit budget requests
- ✓ Board workshops to discuss capital priorities and compensation
- ✓ Several internal budget meetings are held to review the requests and prepare recommended budget
- ✓ Recommended budget is submitted to Village Board for consideration
- ✓ Village Board makes final budget decisions
- ✓ Appropriation Ordinance is prepared

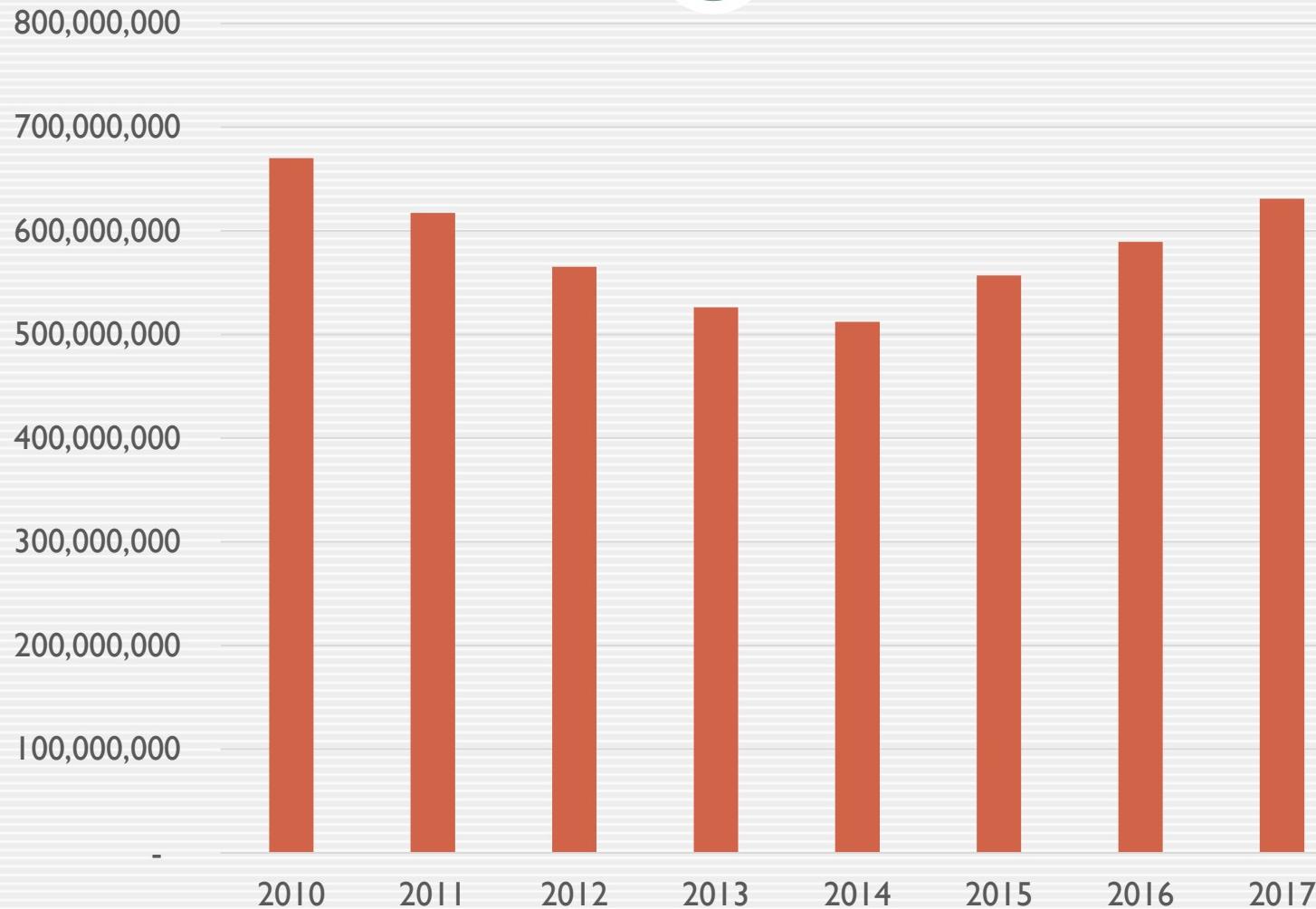
# Revenue Highlights





# Equalized Assessed Values

## 2010 - 2017





# Property Tax Extended Levies

## 2010 - 2017



2,500,000

2,000,000

1,500,000

1,000,000

500,000

0

2010

2011

2012

2013

2014

2015

2016

2017

	Corporate Levy	Police Pension	Total Combined
2010	1,249,295	585,634	1,834,929
2011	1,338,489	537,742	1,876,231
2012	1,344,377	571,558	1,915,935
2013	1,338,517	659,788	1,998,305
2014	1,351,536	694,724	2,046,260
2015	1,149,038	916,222	2,065,260
2016	918,300	1,165,262	2,083,562
2017	995,287	1,158,118	2,155,422

3.30%

2.25%

2.12%

4.30%

2.40%

0.93%

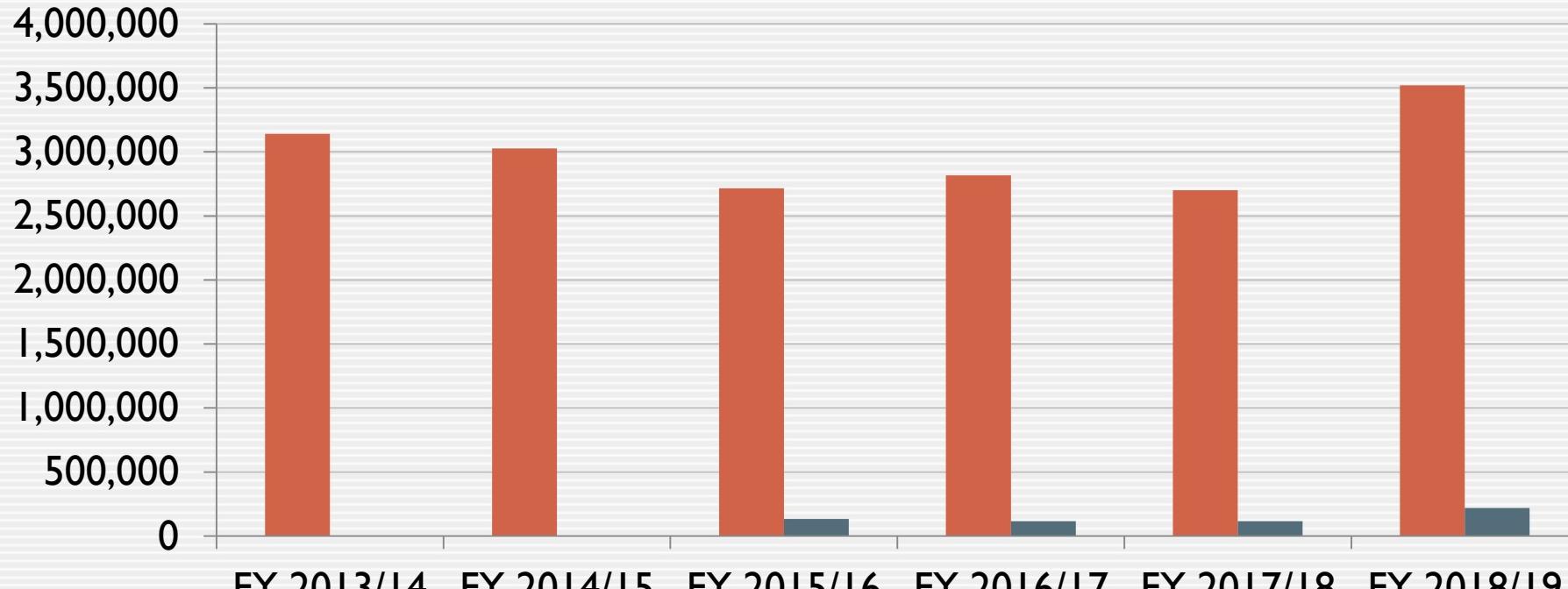
0.89%

3.45%



# General Fund

## Sales Tax Revenues & Rebate



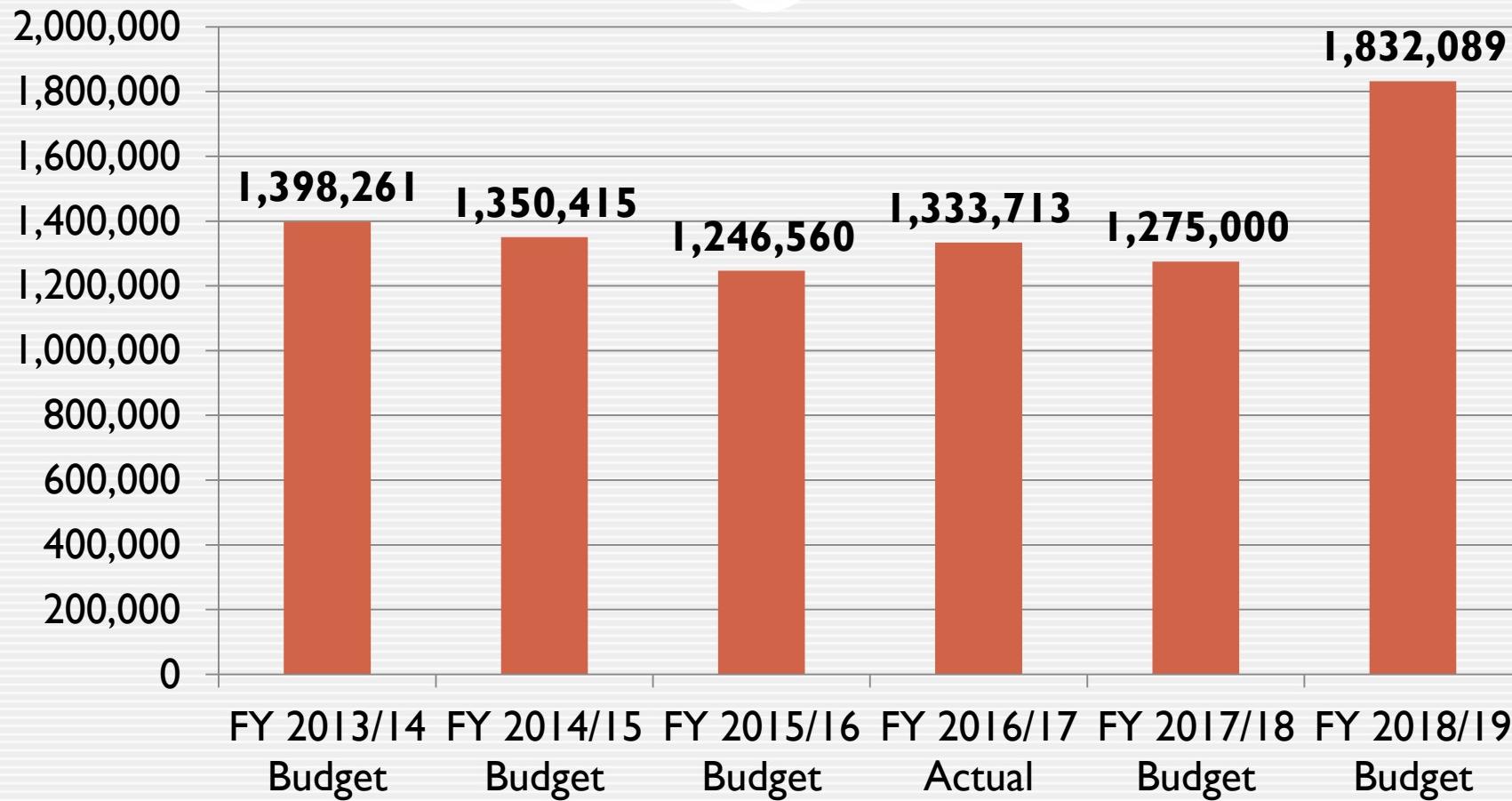
	Budget	Budget	Actual	Actual	Budget	Budget
State Sales Tax	3,176,075	3,140,695	3,026,180	2,715,614	2,710,000	3,519,734
Sales Tax Rebate	-0-	-0-	-0-	132,506	116,753	220,000

✓ Estimate for FY 2018/19 - \$3,519,734



# Capital Projects Fund

## Non Home Rule Sales Tax Revenue

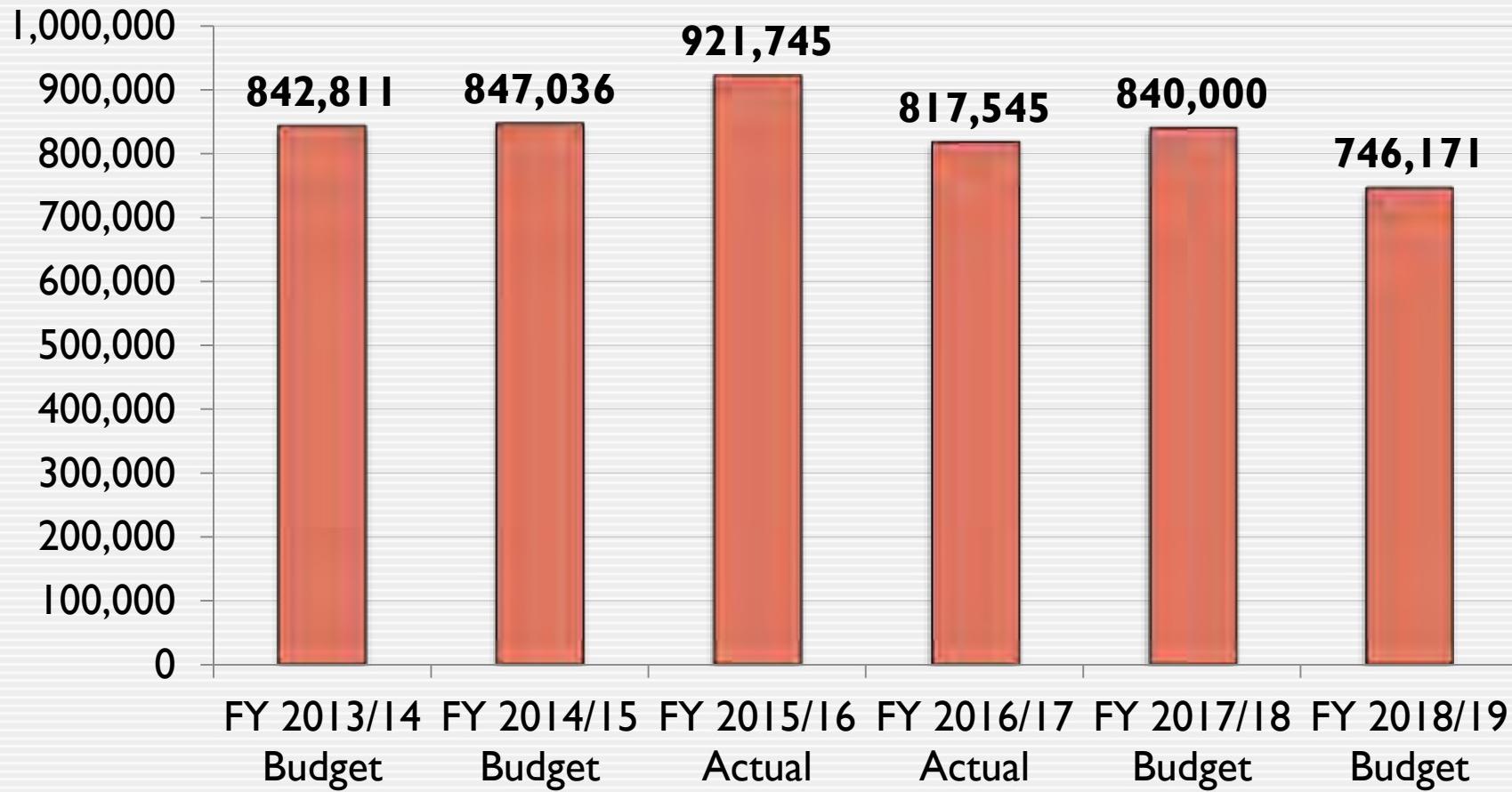


✓ Estimate for FY 2018/19 - \$1,832.089



# General Fund Revenues

## State Shared Income Tax

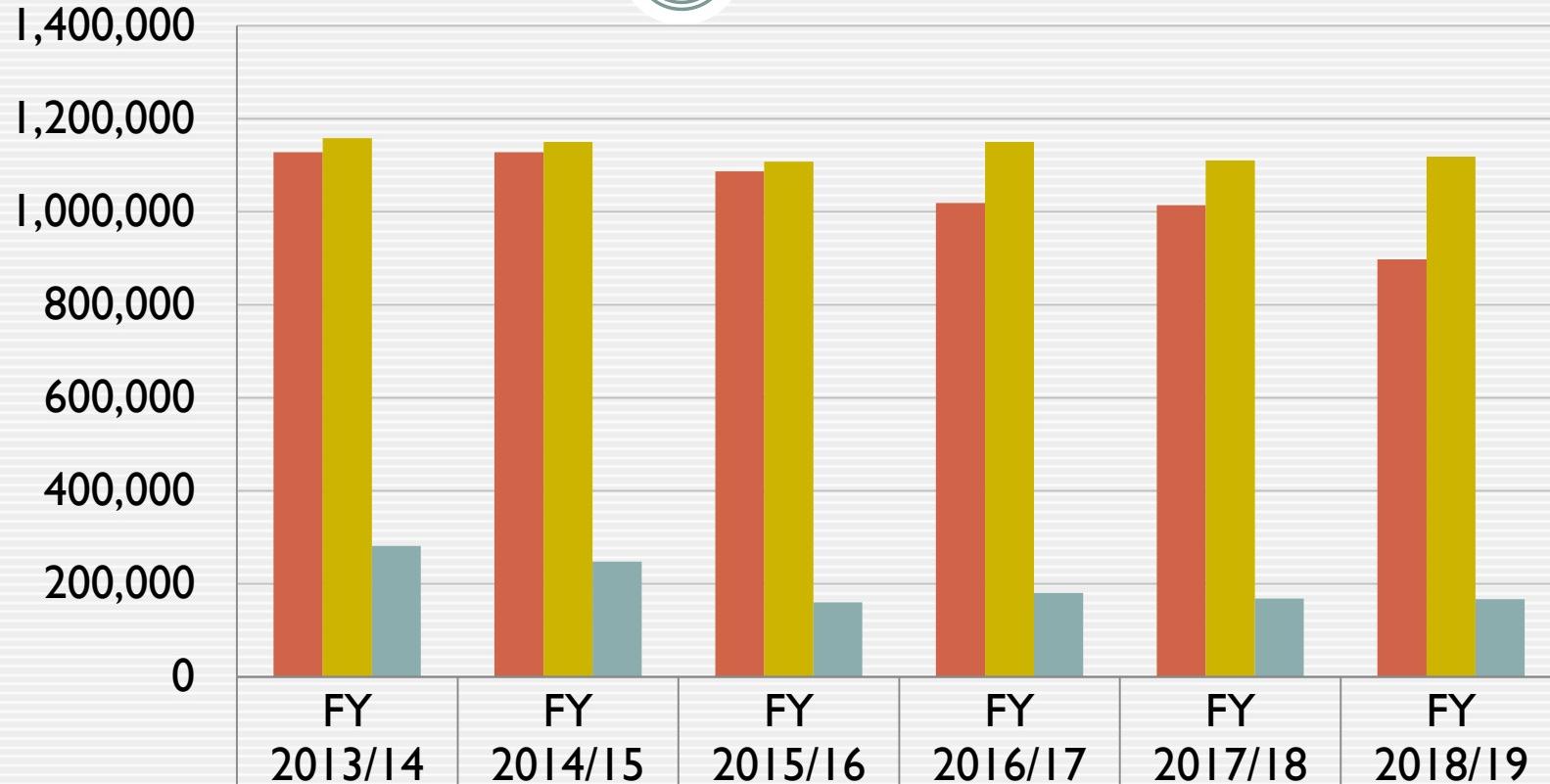


✓ Estimate for FY 2018/19 - \$746,171



# General Fund Revenues

## Utility Taxes

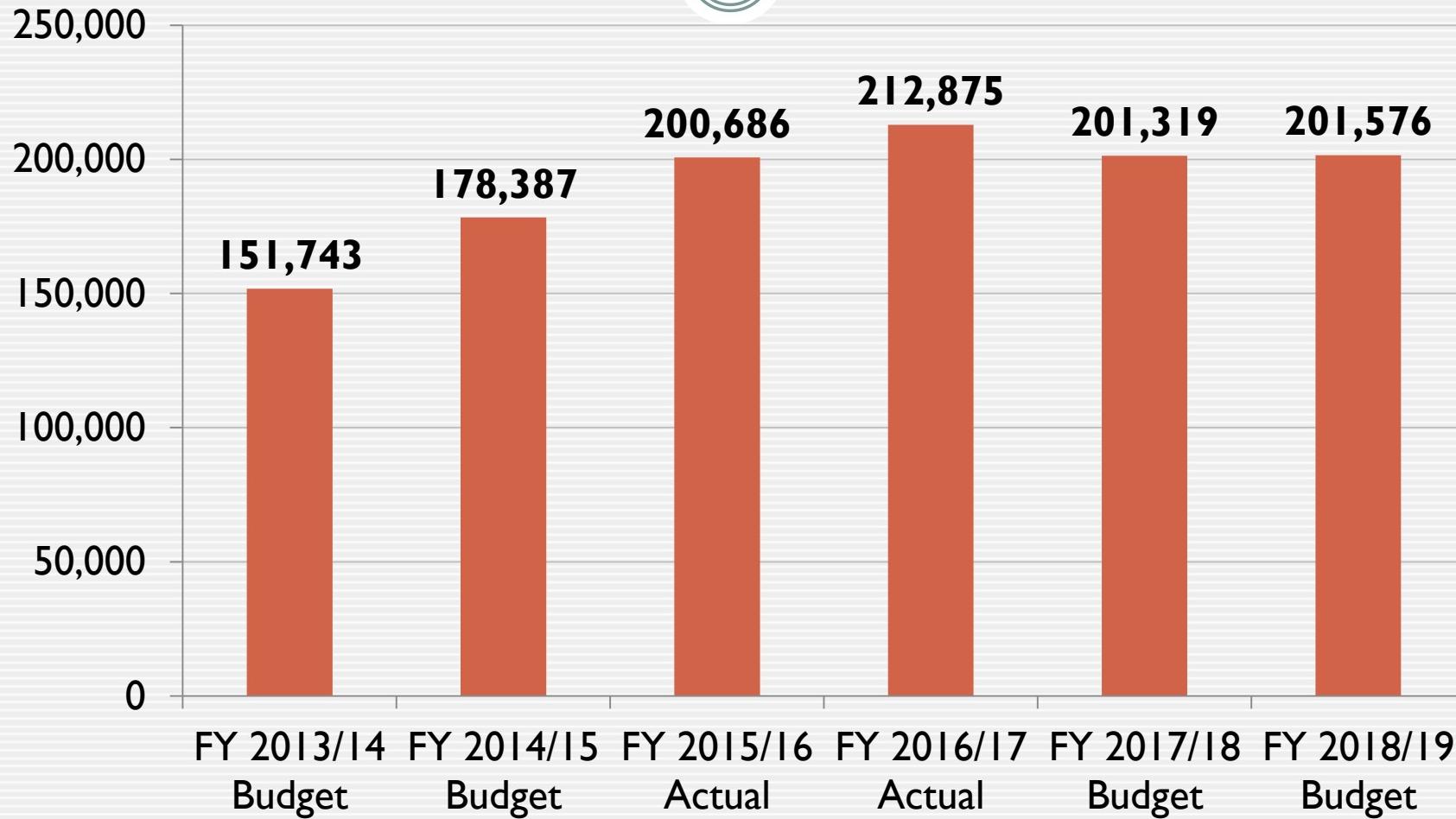


■ Telecommunications	1,127,780	1,127,418	1,086,761	1,018,416	1,014,000	897,117
■ Electricity	1,158,073	1,149,858	1,107,480	1,149,934	1,110,000	1,117,956
■ Natural Gas	281,453	247,341	160,194	180,000	168,000	167,052



# General Fund Revenues

## Local Use Tax

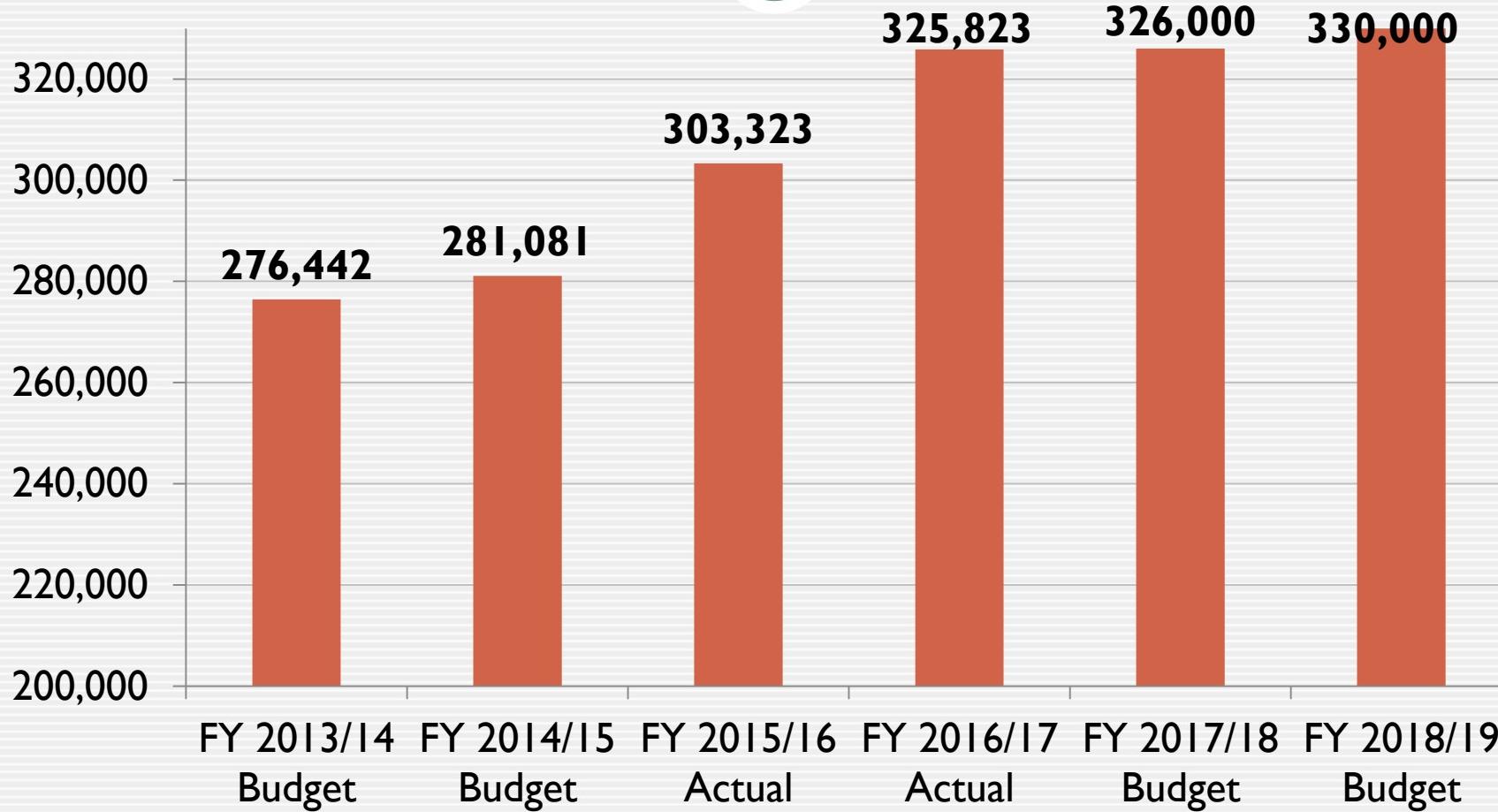


✓ Estimate for FY 2018/19 - \$201,576



# General Fund Revenues

## Food & Beverage Taxes

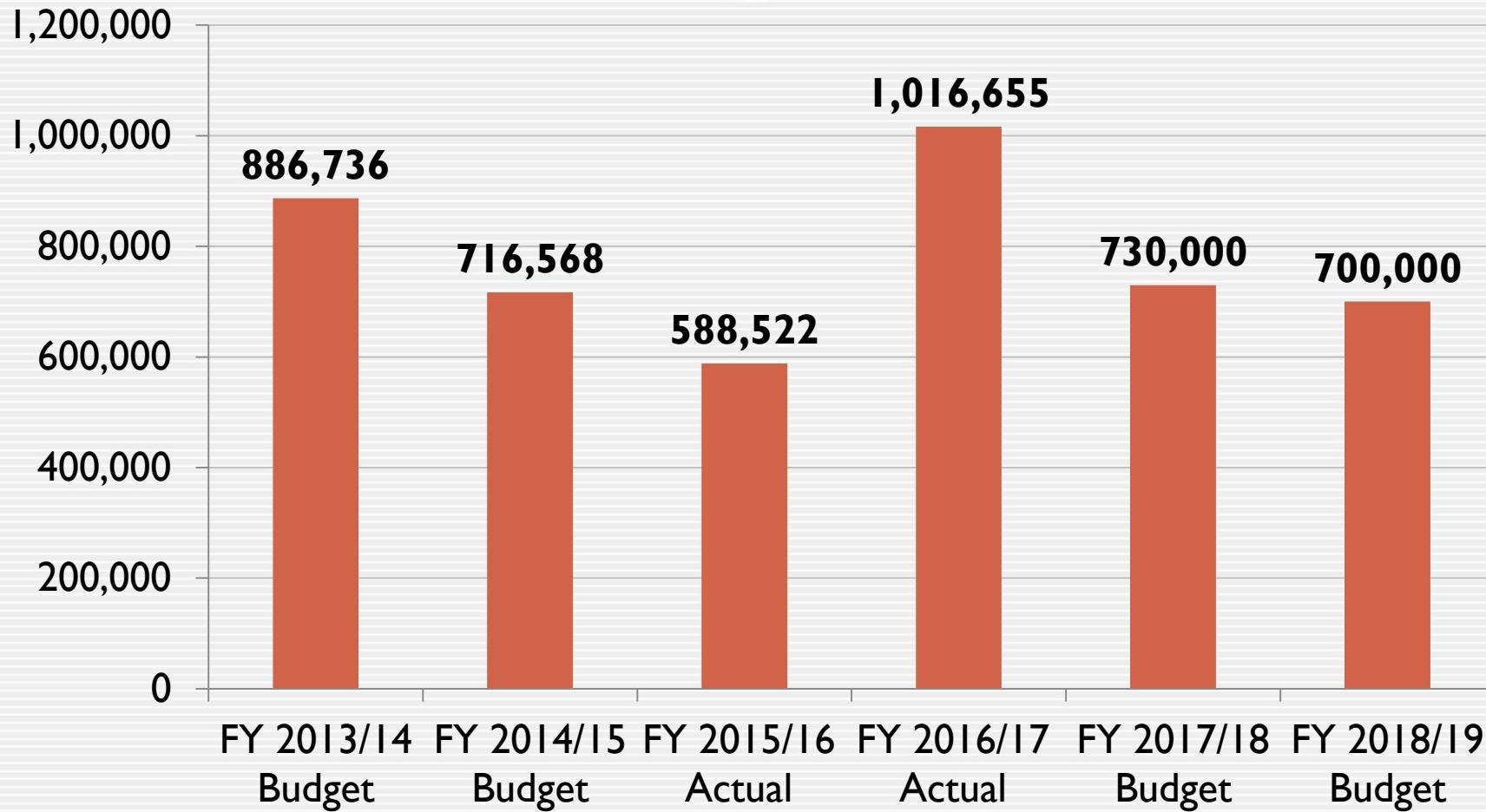


✓ Estimate for FY 2018/19 - \$330,000



# General Fund Revenues

## Building Permits



✓ Estimate for FY 2017/18 - \$700,000

# Global Expenditure Highlights





# 2018/19 Global Expenditure Highlights

## PERSONNEL

- ✓ Non-union Annual Salary Increase Placeholder 1.75%
  - ✓ Additional \$40,000 Budgeted for Merit Adjustments & Bonuses
- ✓ FOP Patrol and Sergeants Union Salary Increase 2.50%
- ✓ Local 150 Salary Placeholder 2.5%



# 2018/19 Global Expenditure Highlights

## PERSONNEL

- ✓ Insurance Premiums
  - ✓ PPO 6.6% ,
  - ✓ HMO 2.5%
  - ✓ Dental -4.4%
  - ✓ Life Insurance, Accidental Death & Disability 4.5%
- ✓ HRA Contributions Estimated Using historical trends and risk exposure of retirees vs. employees

## OTHER

- ✓ Worker's Compensation Insurance remained consistent with prior year
  - ✓ Adjusted classifications of employees
  - ✓ Accounted for employee reductions

# General Fund Highlights





# 2018/19 General Fund Expenditure Highlights



## ADMINISTRATION

- ✓ Legal fees consistent with prior year
- ✓ Elimination of Finance Director and PT Accounting staff positions.
- ✓ Accounting consulting line item increase to cover Finance Director and Accounting responsibilities.
- ✓ Split between General Fund, Hotel Tax, Water and Sewer



# 2018/19 General Fund Expenditure Highlights



## ADMINISTRATION

- ✓ Decrease in liability insurance – 12%
- ✓ Increased budget for employee recognition from \$1,000 to \$5,000.
- ✓ Overall decrease of 12%



# 2018/19 General Fund Expenditure Highlights



## PUBLIC WORKS

- ✓ Reduction of one Cat. 4 General Services Operator
- ✓ Addition of 2 part-time Operators
- ✓ Increased budgets for Removal of Spoils and Fleet Supplies to match expenditure experience.



# 2018/19 General Fund Expenditure Highlights



## PUBLIC WORKS

- ✓ Increase in budget for Storm Sewer Maintenance to contract with county for Vactor services - \$25,000
- ✓ Increased budget for Snow Removal Services by \$75K to account for reduction in staff
- ✓ Overall increase of 2%



# 2018/19 General Fund Expenditure Highlights

## NATURE CENTER

Operating Expenditure Budget	\$149,997
Hotel Tax Fund Contribution	148,647
Other Revenues	1,350
Net General Fund Impact	\$-0-

✓ Capital Budgeted in Fund 06



# 2018/19 General Fund Expenditure Highlights



## COMMUNITY DEVELOPMENT

- ✓ Realigned Conferences, Training and Local Meetings Budgets, and reduced expenditures by 20%
- ✓ Budgeted \$20,000 in Planning as CMAP grant match for sub-area planning
- ✓ No changes in staffing allocations at this time
- ✓ Overall budget decrease of 1%



# 2018/19 General Fund Expenditure Highlights



## POLICE

- ✓ Includes 100% of the Annual Pension Contribution per Actuary
- ✓ Adds one additional officer - total of 23 sworn officers
  - ✓ Expecting 2 retirements in FY2019
- ✓ Addition of Elderly Services Unit Budget to fund an Elderly Services Academy.



# 2018/19 General Fund Expenditure Highlights



## POLICE

- ✓ Replacement of Tasers
- ✓ Replacement of Analog Security Cameras
- ✓ Replacement of DUI Testing Supplies
- ✓ Overall budget increase of 3%



# 2018/19 General Fund Expenditure Highlights



## LEGISLATIVE

- ✓ Transfer remaining Planning Commission, Historical Commission to Legislative
- ✓ Comed Power Line Consortium \$5,000
- ✓ Suburban O'hare Noise Commision \$20,000
- ✓ Overall budget increase of 3%



# 2018/19 General Fund Expenditure Highlights



## INFORMATION TECHNOLOGY

- ✓ Increase in support agreements for existing hardware and software maintenance – 25%
- ✓ Planning for new Enterprise Resource Planning System - \$25,000
- ✓ Overall budget increase 14%



# General Fund Summary

General Fund	Change in Fund Balance
Operating Revenues	\$11,344,899
Operating Expenses	11,055,321
<b>Net Operating Income (Deficit)</b>	<b>289,578</b>
Transfer In	148,647
Transfer (Out)	-0-
<b>Net Change in Fund Balance</b>	<b>438,225</b>
<b>Net Position</b>	<b>10,757,654</b>

# Capital Projects Fund Highlights





# 2018/19 Capital Improvement Fund Expenditure Highlights



## ROADWAYS

- ✓ Bloomingdale Road Reconstruction Engineering - \$140,000
- ✓ Arlington Heights Road Reconstruction Engineering - \$60,000
- ✓ Park/Pierce/Devon Intersection Improvements - \$80,000
- ✓ Annual Street Resurfacing - \$348,500



# 2018/19 Capital Improvement Fund Expenditure Highlights



## PEDESTRIAN & BIKEWAYS

- ✓ Annual Sidewalk Maintenance - \$118,000
- ✓ Bike/Pedestrian Paths EOWA Corridor Engineering - \$50,000
- ✓ Nature Center Boardwalk Path - \$160,000 (H/M Funds)



# 2018/19 Capital Improvement Fund Expenditure Highlights



## STORM WATER

- ✓ Completion of North Side Drainage Study – \$10,000
- ✓ CMD storm sewer rehab - \$30,000 (SSA funds)

## FINAL PAYOUTS

- ✓ EOWA final payments - \$354,000
- ✓ Maple Street final payment - \$20,000



# 2018/19 Capital Improvement Fund Expenditure Highlights

## FACILITIES

- ✓ Rehabilitation of Village Hall Exterior Entry - \$80,750
- ✓ Village Hall Furniture - \$5,000
- ✓ Metra Station Improvements \$50,000



# 2018/19 Capital Improvement Fund Expenditure Highlights

## FLEET REPLACEMENT

- ✓ Total - \$180,000
- ✓ 3 Squads, plus up-fitting
- ✓ Up fit of donated Subaru
- ✓ Reconstruction of 1 ton dump (body and hydraulics)
- ✓ Replace PW 2003 Ford Explorer #59 (over 100,000 mile)



# 2018/19 Capital Improvement Fund Expenditure Highlights



## TECHNOLOGY

- ✓ Replace MS Exchange Platform – \$58,500
- ✓ Replace aging data servers – \$36,000
- ✓ PW SCADA System Network Improvements – \$9,600
- ✓ Replace gas pumping software - \$15,000

**Total Fund Expenses – 2% Increase**



# Capital Projects Fund Summary

General Fund	Change in Fund Balance
Operating Revenues	\$2,097,589
Operating Expenses	1,880,350
<b>Net Operating Income (Deficit)</b>	<b>217,239</b>
Transfer In	160,000
Transfer (Out)	-0-
<b>Net Change in Fund Balance</b>	<b>377,239</b>
<b>Net Position</b>	<b>1,015,041</b>

# Motor Fuel Tax Fund Highlights





# 2018/19 Motor Fuel Tax Fund Expenditure Highlights

- ✓ No new expenditures
- ✓ Carryover for Safe Routes to Schools Invoicing
- ✓ Roll over fund balance for construction of Bloomingdale Rd
- ✓ Reduce engineering and administration expenses per project



# Motor Fuel Fund Summary



General Fund	Change in Fund Balance
Operating Revenues	\$226,112
Operating Expenses	113,200
<b>Net Operating Income (Deficit)</b>	<b>112,912</b>
Transfer In	-0-
Transfer (Out)	-0-
<b>Net Change in Fund Balance</b>	<b>112,912</b>
<b>Net Position</b>	<b>698,439</b>

# Hotel Tax Fund Highlights





# 2018/19 Hotel Tax Fund Expenditure Highlights

- ✓ Branding Consultant – \$49,000
- ✓ Marketing Materials – \$27,250
- ✓ 4<sup>th</sup> of July Increase – \$8,200
- ✓ Hotel Marketing Grant Program - \$125,000
- ✓ Transfer for Nature Path - \$160,000
- ✓ Transfer for Nature Center - \$149,997
- ✓ Itasca Fest Budget Increase Request - \$8,700

**Total Fund Expenses – 3% Decrease**



# Hotel Tax Fund Summary

General Fund	Change in Fund Balance
Operating Revenues	\$1,254,645
Operating Expenses	1,433,803
<b>Net Operating Income (Deficit)</b>	<b>(179,158)</b>
Transfer In	-0-
Transfer (Out)	(308,647)
<b>Net Change in Fund Balance</b>	<b>(487,805)</b>
<b>Net Position</b>	<b>2,029,347</b>

# Water & Sewer Operations Fund Highlights





# 2018/19 Water & Sewer Operations Fund Highlights

- ✓ Water revenues increase by 9%
- ✓ Water expenses increase by 3%
- ✓ Sewer revenues increase by 10%
- ✓ Sewer expenses increase by 4%
- ✓ Overall budget increase by 4%
- ✓ Transfer to WS Capital = \$1,300,000



# 2018/19 Water & Sewer Operations Expenditure Highlights

- ✓ Equipment rental increased to accommodate bypass pump testing.
- ✓ Support and maintenance costs for existing software increased.
- ✓ Building security improvement funding moved to WS Capital.
- ✓ Increase to fund USEPA mandated Local Limits Study for Industrial Pre-Treatment = \$60K
- ✓ Decrease in funding for SCADA hardware and software maintenance due to budgeted capital improvements = \$60K



# Water Sewer Fund Summary

General Fund	Change in Fund Balance
Operating Revenues	\$10,582,958
Operating Expenses	10,545,247
<b>Net Operating Income (Deficit)</b>	<b>37,711</b>
Transfer In	-0-
Transfer (Out)	1,300,000
<b>Net Change in Fund Balance</b>	<b>(2,217,289)</b>
<b>Net Position</b>	<b>7,237,552</b>

# Water & Sewer Capital Fund Highlights





# 2018/19 Water & Sewer Capital Expenditure Highlights



## WATER

- ✓ Ardmore Tank Rehabilitation - \$595,000
- ✓ Water Main Design & Construction - \$80,000



# 2018/19 Water & Sewer Capital Expenditure Highlights



## SEWER – WWTP REMEDIATION

- ✓ WWTP Construction Remediation - \$4,450,000
- ✓ Repair of main chemical feed line - \$20,000
- ✓ SBR Decanter replacement - \$136,000



# 2018/19 Water & Sewer Capital Expenditure Highlights



## SEWER

- ✓ SBR diffuser membrane replacement - \$50,000
- ✓ Holiday Inn Lift Station - \$890,000
- ✓ Lift Station Assessment - \$25,000
- ✓ SS Inspection, Lining, Rehab - \$175,000
- ✓ 290 Main Truck Lining - \$98,800



# 2018/19 Water & Sewer Capital Expenditure Highlights



## SEWER

- ✓ Data server replacement - \$24,000
- ✓ SBR SCADA Programmable Logic Controller replacement - \$55,000
- ✓ Upgrade SCADA network server - \$16,000



# Water Sewer Capital Fund Summary

General Fund	Change in Fund Balance
Operating Revenues	\$6,020,000
Operating Expenses	6,644,800
<b>Net Operating Income (Deficit)</b>	<b>(624,800)</b>
Transfer In	1,300,000
Transfer (Out)	-0-
<b>Net Change in Fund Balance</b>	<b>675,200</b>



## What's Next?



- ✓ April 24 - Finance Committee Workshop #4 – 6 p.m.
- ✓ April 26 - Finance Committee Workshop #5 – 6 p.m.
- ✓ May 1 – COW considers the Draft Budget Ordinance
- ✓ May 15 – VB Approves the Budget Ordinance
- ✓ June 19 – COW Considers Appropriation Ordinance
- ✓ July 12 – VB Approves Appropriation Ordinance

# QUESTIONS?

